STATE OF IOWA

DEPARTMENT OF COMMERCE

UTILITIES BOARD

IN RE:

INTERSTATE POWER AND LIGHT COMPANY AND MAQUOKETA VALLEY ELECTRIC COOPERATIVE DOCKET NO. SPU-04-34

ORDER GRANTING PETITION FOR MODIFICATION OF SERVICE AREA BOUNDARIES

(Issued December 14, 2004)

On December 1, 2004, Interstate Power and Light Company (IPL) and Maquoketa Valley Electric Cooperative (Maquoketa) filed a joint petition for modification of electric service area boundaries pursuant to Iowa Code § 476.25(2). A service area agreement between IPL and Maquoketa was attached to the petition. Because underground facilities are to be installed prior to the winter freeze, expedited treatment was requested. Counsel for the Board contacted counsel for the Consumer Advocate Division of the Department of Justice (Consumer Advocate). Consumer Advocate has no objection to the petition.

IPL and Maquoketa have agreed that certain territory in IPL's exclusive service territory will be transferred to Maquoketa and request the Board modify the service territory boundary between the two utilities in Jackson County, Iowa. The following service territory is to be served by Maquoketa:

The property located at 9516 500th Avenue, Jackson County, Miles, Iowa, including 38.24 acres, located all within the Northeast Quarter of the Northeast Quarter of Section 6, Township 84 North, Range 6 East of the 5th P.M., Jackson County, Iowa. The property includes the entire quarter/quarter section except for 1.76 acres, and is also known as Parcel #1421061000020000.

In support of the petition, IPL and Maquoketa state the modification will allow both utilities to more efficiently serve their end-use customers while avoiding unnecessary duplication of facilities. The proposed modification will allow Maquoketa to serve a single property. Maquoketa has an existing distribution line near the residence while IPL would have to extend facilities at a significant cost to serve the customer. The property owner consents to the modification because of the proximity of Maquoketa's facilities. No other customers are impacted by the modification.

Iowa Code § 476.25 (2003) provides in pertinent part:

Contracts between electric utilities to designate service areas and customers to be served by the electric utility or for the exchange of customers between electric utilities, when approved by the board, shall be valid and enforceable and shall be incorporated into the appropriate exclusive service areas established pursuant to subsection 1 of this section. The board shall approve a contract if it finds that the contract will eliminate or avoid unnecessary duplication of facilities, will provide adequate electric service to all areas and customers affected, will promote the efficient and economical use and development of the electric systems of the contracting electric utilities, and is in the public interest.

The Board will grant the joint petition for modification of service area boundaries. IPL and Maquoketa have alleged facts that establish the proposed

modification is in the public interest, will prevent unnecessary duplication of facilities, provide adequate electric service to all customers affected, and will promote the efficient and economical use of electrical systems, pursuant to lowa Code § 476.25.

IT IS THEREFORE ORDERED:

The joint petition for modification of electric service area boundaries filed by Interstate Power and Light Company and Maquoketa Valley Electric Cooperative on December 1, 2004, is granted, subject to complaint or investigation.

UTILITIES BOARD

	/s/ Diane Munns
ATTEST:	/s/ Mark O. Lambert
/s/ Judi K. Cooper Executive Secretary	/s/ Elliott Smith

Dated at Des Moines, Iowa, this 14th day of December, 2004.